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BIWEEKLY REPORT

**AID AND TRADE ACTIVITIES
OF COMMUNIST COUNTRIES
IN LESS DEVELOPED AREAS
OF THE FREE WORLD**

EIC WGR 1/210
24 February 1964

PREPARED BY THE WORKING GROUP
ON COMMUNIST AID AND TRADE ACTIVITIES
IN LESS DEVELOPED AREAS OF THE FREE WORLD

ECONOMIC INTELLIGENCE COMMITTEE

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Summary of Events
7-20 February 1964

The number of African students in Communist countries continues to increase substantially in spite of outbursts of student dissatisfaction and racially tinged incidents. The desire for education and the lack of alternative opportunities at home or abroad seem to outweigh the distasteful aspects of these programs.

Late in December 1963, King Hassan of Morocco informed Western diplomatic representatives that the USSR had offered to complete its obligation under the military aid agreement concluded early in 1962. Delivery of the equipment had been delayed because agreement could not be reached on a Moroccan request for easier repayment terms.

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The Syrian Government reportedly is anxious to send an economic delegation to Moscow to resume discussions concerning Soviet aid projects. Earlier talks, during which a tentative agreement had been reached for several new projects and some modifications of existing contracts, were interrupted by the Ba'athist coup in March 1963. Since that time the USSR reportedly has shown little interest in resuming discussions.

An Egyptian delegation, led by Minister of Industry Sidqi and including 100 industrial experts and planners, is scheduled to go to Moscow in May to discuss Soviet assistance for the second 5-year development plan of the United Arab Republic (July 1965 - June 1970).

Since September 1963, several Communist countries have contracted for substantial purchases of Argentine wheat. Commitments that have been reported thus far call for shipments of almost 1.25 million metric tons in 1964. Communist China has been the principal customer, having bought or agreed to buy about 1 million metric tons of wheat plus some other grains. The other Communist customers are East Germany, Czechoslovakia, and the USSR. All sales have been for cash, payable in hard currency, and should yield revenue in excess of \$86 million.

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